



## State of Utah

Department of  
Natural ResourcesMICHAEL R. STYLER  
Executive DirectorDivision of  
Oil, Gas & MiningJOHN R. BAZA  
Division DirectorJON M. HUNTSMAN, JR.  
GovernorGARY R. HERBERT  
Lieutenant Governor

## Representatives Present During the Inspection:

OGM Pete Hess Environmental Scientist III

# Inspection Report

Permit Number:	C0070045
Inspection Type:	COMPLETE
Inspection Date:	Wednesday, October 14, 2009
Start Date/Time:	10/14/2009 9:53:00 AM
End Date/Time:	10/14/2009 11:10:00 AM
Last Inspection:	Wednesday, September 02, 2009

Inspector: Pete Hess, Environmental Scientist IIIWeather: Overcast; rain.InspectionID Report Number: 2155

Accepted by: jhelfric

10/29/2009

Permittee: **HEADWATERS ENERGY SERVICES**Operator: **HEADWATERS ENERGY SERVICES**Site: **COVOL SITE**Address: **1865 S RIDGE RD, WELLINGTON UT**County: **CARBON**Permit Type: **PERMANENT COAL PROGRAM**Permit Status: **PROPOSED**

## Current Acreages

30.00	Total Permitted
30.00	Total Disturbed
	Phase I
	Phase II
	Phase III

## Mineral Ownership

- ☐ Federal  
☐ State  
☐ County  
☐ Fee  
☐ Other

## Types of Operations

- ☐ Underground  
☐ Surface  
☐ Loadout  
☐ Processing  
☐ Reprocessing

## Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

The Division issued a permit to Headwaters Energy Services / COVOL on August 31, 2009. The Permittee returned a copy of this permit, signed by the authorized representative of COVOL to the Division on September 23, 2009.

Mr. Kyle Edwards, Plant Manager represented the Permittee during today's inspection.

Inspector's Signature:

Date Wednesday, October 14, 2009

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

**Note:** This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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**REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
  - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
  - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
22. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**1. Permits, Change, Transfer, Renewal, Sale**

The new permit issued to COVOL contains only one Special Condition; that condition requires that ground water monitoring data for the well be submitted in an electronic fashion to the Division. The approved MRP requires ground water monitoring for one year to obtain baseline, and for one year during the reclamation process (8 samples @ 4 per period). The Permittee has a copy of the newly approved MRP at the main office.

**2. Signs and Markers**

The Division informed the Permittee during today's inspection that the Permit identification number, C/007/045 needs to be added to the Headwaters Energy Services business sign located at the main gate adjacent to the public road (Ridge Road). Mr. Edwards was shown the R645 requirement in R645-301-521.242 and 521.243. The Permittee will address this requirement.

**4.a Hydrologic Balance: Diversions**

All diversions appeared capable of functioning as designed. Although the site was receiving rain during the inspection, sheet flow had yet to report to the sites diversions.

**4.b Hydrologic Balance: Sediment Ponds and Impoundments**

The Permittee modified the inlets to the East and West ponds by installing an 18 inch by 20 foot corrugated metal pipe on a steeper gradient through each ponds north embankment. Both diversions had previously been on more shallow slopes, which allowed them to back up silt. The Permittee felt the modification was justified to reduce maintenance where the ditches flow into the ponds. The Permittee was informed that making changes in the MRP or at the site without proper DOGM approvals can result in the issue of a notice-of-violation. The Permittee was asked to update the "As-built" drawings for both the East and West ponds to show the new inlet diversions. Mr. Rich White, P.E., of EarthFax Engineering has been scheduled to visit the site to perform the annual pond re-certification for the two ponds. The Division requested that EarthFax update the pond "As-builts" during that certification process. The third quarter 2009 impoundment inspections for the East and West ponds was completed by Mr. Edwards on September 14, 2009. There were no signs of erosion or instability noted. As observed this day, the West pond had a damp bottom; the East had a small volume. The Permittee installed a limiting control on the water truck fill point, to prevent overflows, waste and water reporting into West pond on a continuous basis.

**4.d Hydrologic Balance: Water Monitoring**

To date, the Permittee has collected four water samples from the COVOL well. The Permittee received the analysis for the fourth sample on or about October 8, 2009. The approved MRP only required COVOL to monitor the well for one year (i.e., the four samples which have been collected). The analytical data will be entered into the Division electronic data base when the Division is able to set up the data base site for the COVOL information. The Division is aware that a data base site needs to be established for the Permittee.

**9. Protection of Fish, Wildlife and Related Environmental Issues**

The approved MRP contains a requirement that the Permittee conduct a Burrowing Owl occupancy survey during 2010. The time frame for conducting this survey must be agreed upon by both the DOGM and DWR.

**13. Revegetation**

To date, there is no sprouting on the site's two topsoil piles. The piles were seeded in April, 2009.

**21. Bonding and Insurance**

The Permittee forwarded a new Acord form renewing the general liability insurance coverage for the Wellington site on October 26, 2009. Coverage amounts for general aggregate and each occurrence are adequate. The modified cancellation clause meets the requirements of the R645 Coal Mining Rules. There are no explosive or detonator magazines at this site; the liability insurance does not provide for explosives usage at this site. The Division has approved this.